for being here as well. I thank Michael Adams, the president of the University of Georgia, for being here. And I want to thank my Ambassador-designee to the Vatican, Jim Nicholson, for being here as well.

Paul Coverdell was a man of unusual abilities and striking character. He spoke with candor when others might hide the unpleasant truth. He was wise and reasonable in a city that often lacks both virtues. He was a man of principle who understood our political system's essential need for compromise. He was respected by both allies and adversaries.

And the causes to which he dedicated himself drew all his energy and thought and effort and commitment. He understood every parent's hopes for a quality education, so he pressed for tax-free savings accounts for education expenses. Today his idea is law, and today we rename those accounts for him, the Coverdell Education Savings Accounts.

He had a great heart and compassion for others, and that could be seen in his imaginative and strong leadership of the Peace Corps. As the Corps' first post-coldwar Director, he had a vision for a new era and the leadership to bring those dreams into being. So today, in his honor, we rename the Peace Corps headquarters in Washington, DC, the Paul D. Coverdell Peace Corps Headquarters. And we also rename the Peace Corps World Wise School program, the Paul D. Coverdell World Wise Schools programs.

Paul was a champion of science and medical research. Wherever Americans push the frontiers of knowledge, they're advancing in the spirit of Paul Coverdell. And so, I applaud Senator Miller for his leadership in the decision to name the University of Georgia's new health science building for Paul.

You know, Paul and Nancy were frequent visitors to my folks' house in Maine. They were such good friends that Mother got them to plant roses. She's a pretty tough taskmaster. [Laughter] You can imagine old Paul out there digging away, Mother yelling, "More dirt!" [Laughter] The hole would be dug and Mother saying, "You put the rosebush in there." At any rate, we get to now see the roses, and we think of Paul. The flowers bloom only a short time, but like the roots of those bushes, his memory lasts a long time. And the fruits of his labors we will see for a long time coming.

I've spoken today of honoring Paul. The truth is, he honored us by his selfless service. We're lucky to have known him.

It is now my honor to sign the bills honoring a great man.

NOTE: The President spoke at 9:14 a.m. in the Indian Treaty Room in the Dwight D. Eisenhower Executive Office Building. In his remarks, he referred to Nancy Coverdell, widow of Senator Coverdell; Senator Phil Gramm of Texas; and former Speaker Newt Gingrich. S. 360 and S. 1190, approved July 26, were assigned Public Law Nos. 107–21 and 107–22, respectively.

Remarks Prior to a Meeting With Virginia Gubernatorial Candidate Mark Earley and an Exchange With Reporters *July 26, 2001*

The President. It's my honor to welcome the next Governor of Virginia to the Oval Office. This man is going to win because he knows a couple of truths: One, that it's important to let people keep their own money—I appreciate your strong stance on

holding the line on cutting the car tax in Virginia—and secondly, he has prioritized education, and he knows full well that if you have a Governor who knows how to lead, you can set clear spending priorities. And so I believe Mark has got the right issues, the right vision, and the right skill to be a great Governor for Virginia.

Secondly, here in Washington, we're making progress on some key issues. I've been meeting with Members of the Congress on the Patients' Bill of Rights; I will continue to do so throughout the day. Secondly, I had a very good visit with Senator Lieberman and Senator Santorum on the Faith-Based Initiative, a positive discussion about how to get the bill fashioned so it moves through the Senate and then, of course, be combined with the House version.

The Members agree—at least, the two Members that came to see me agree with how important this initiative is. It's important to set aside politics and focus on helping people, and the Faith-Based Initiative does that. And again, I want to repeat how appreciative I am that Senator Lieberman and Senator Santorum took time out of their day to come and visit.

Soon-to-be-Governor Earley is going to say a few remarks. I'll answer a couple of questions afterwards.

[At this point, Mr. Earley made brief remarks.]

The President. Thanks, Mark. You're going to win.

Yes, Gregory [David Gregory, NBC News].

China's Release of American University Scholars

Q. Mr. President, why do you think China agreed, finally, to release the two scholars? And, to you, what does it say about the relationship between the U.S. and China?

The President. Well, I would hope that part of it is because of the pressure our

Government has put on China. I spoke directly to Jiang Zemin on this very subject, about the humane treatment of U.S. citizens and/or legal residents. Perhaps China is beginning to realize that, as she begins to deal with Western nations, she's going to have to make better decisions on human rights.

Patients' Bill of Rights

Q. Are you not giving up on Patients' Bill of Rights being voted on before the August recess? And do you feel that your influence, especially with Republicans in the House, is diminished from what it was?

The President. I think we've had a pretty good 6 months, when you think about it. I've signed a lot of legislation. Today, for example, I signed the legislation naming the education savings accounts after Paul Coverdell. That's a piece of legislation that had languished in the past; it's now law.

I signed tax cuts. I signed some regulatory relief. I am very pleased with the cooperative spirit in the Congress. And I do believe that we can get a good Patients' Bill of Rights. I think the Members of Congress have taken me seriously when I said there is a—I want a bill.

But there are some things that are unacceptable to me. And the most unacceptable thing to me is that there be a piece of legislation that encourages lawsuits and discourages American citizens from being able to afford health insurance. I am deeply worried about any legislation that will cause people to have less health insurance. I refuse to accept that legislation.

Now, having said that, I've been in some serious discussions today. We're trying to find some common ground on getting a bill that I can sign, and I believe we're making progress.

Yes, Steve [Steve Holland, Reuters].

Situation in Iraq

Q. Mr. President, Iraq tried to knock down a U-2 plane today. Do you fear that they have enhanced their ability to knock out allied planes, and what can you do about it?

The President. Well, we're going to keep the pressure on Iraq. The no-fly zone strategy is still in place. We are in—plus, I'm analyzing the data from the incident you talked about. I look forward to finding out all the facts. But there's no question that Saddam Hussein is still a menace and a problem. And the United States and our allies must put the pressure on him.

That's why I brought up to Mr. Putin in Genoa, the need for us to work in concert at the United Nations, to make sure that we have a sanction policy that will work.

Faith-Based Initiative

Q. The sanction Lieberman mentioned today—there's some outright opposition to faith-based, and he thought that could be eased, and some other people said that could be eased if there's some change in the language on discrimination. Is that something that you would consider doing to get the faith-based through?

The President. Well, we're going to work with the Senate to get a good bill out. There are some other concerns that he brought up, and I told him we'd be willing to work with him, without compromising on principle. He understood that. He and I share the same principle about the need to rally faith-based organizations in our community.

And one of the principles is, we should never undermine the civil rights laws of the United States. And I believe it's very important that the civil right—the whole spirit and law of the civil rights legislation be intact.

Immigration/Mexican Trucking Industry

Q. Mr. President, on the immigration proposal that you're weighing, sir, is there some reason that only Mexican workers should be considered? What about those from other countries?

The President. Well, we'll consider all folks here. Let me make this very clear to people, that there was—a word was creeping in the vernacular about this issue, called amnesty. I oppose blanket amnesty. The American people need to know that. I do believe, though, that when we find willing employer and willing employee, we ought to match the two. We ought to make it easier for people who want to employ somebody, who are looking for workers, to be able to hire people who want to work.

And I know we can do so in a humane way that treats people with respect. Obviously, the Mexican issue is at the forefront because we're preparing for my first state visit with my friend Vicente Fox. But I'm openminded. I'll listen to all proposals that people have in mind.

Let me make another point on Mexico. It is wrong for the Congress to discriminate against Mexican trucks. And I urge the Senate to reject an amendment to the transportation bill that would clearly discriminate against Mexican truckers. Our Mexican counterparts and friends need to be treated just like the Canadians are treated. We ought to accept the spirit of NAFTA.

And so whether it be people or trucks or businesses, I solidly reject discrimination against people who are here, of all origins, particularly Mexico. And the reason why Mexico's on the front burner, as far as the immigration issue, of course, is because of the initiative that Vicente Fox and I outlined, an initiative that encourages discussions, headed up by-it's Colin Powell and John Ashcroft and their counterparts—and by the way, an initiative that is making good progress on making sure relations with our neighbor to the south are strong and cohesive and there's a strategy that works and respectful. And we're making good progress, and the American people ought to be proud of that.

Assistant Press Secretary Gordon Johndroe. Thank you all.

Oval Office Redecoration

Q. New furnishings?

The President. Yes, they are. Thank you for noticing. The couches—Mrs. Bush deserves a lot of credit.

Q. The rug?

The President. No, the rug is temporary. The rug will have the—we're in the process of weaving a new rug. And each President, as you probably know, since you've been around here some—well, a long time—each President designs his own rug. I've designed mine, and it's now being woven and will be here in about 3 months. And I look forward to—

First 6 Months

Q. The Alamo up on the wall is not an indication of how you feel in the White House right now, is it?

The President. I feel great. Listen, I think we've had one of the most constructive first 6 months of any Presidency, and we're making great progress on a lot of issues. No, I've always—a dictatorship would be a heck of a lot easier; there's no question about it. [Laughter] But dealing with Congress is a matter of give and take. The President doesn't get everything he wants; the Congress doesn't get everything they want. But we're finding good common ground.

And I also want to remind you all, we're making great progress when it comes to fiscal sanity and the budget. I appreciate so very much the supplemental that got passed. I signed it in Kosovo. It was a supplemental that came out clean. And I thank the leadership in the Senate, particularly Senator Byrd, as well as those in the House—Congressman Young—for moving a clean supplemental. That was unheard of in recent history.

There's going to be some struggles over the budget, no question about it, as appropriators perhaps try to bust the budget. But they're going to find somebody who's going to hang tough on the budget. And I want to remind people that the reason some are struggling to find money to spend is because the economy has turned down; that's why. The budget projections are less than anticipated because of a slowdown in the economy. And by cutting taxes, we did the right thing to reinvigorate the economy. And do you know who knows that best? The American people.

Thank you for coming.

News Conference With Prime Minister Silvio Berlusconi of Italy

Q. You're not a dictator, but you are a conqueror. [Laughter]

The President. Thank you, sir. I do remember it well. I just hope it reflected in the stories. Actually, did you know that the guy, when questioned—the interpreter misinterpreted what he said. He said that it was clear to the American press that President Bush conquered the leaders, as opposed to conquering the American press. No one conquers the American press, of course. [Laughter]

Assistant Press Secretary Johndroe. Thank you all.

NOTE: The President spoke at 11:23 a.m. in the Oval Office at the White House. In his remarks, he referred to President Jiang Zemin of China; President Saddam Hussein of Iraq; President Vladimir Putin of Russia; and President Vicente Fox of Mexico. The transcript released by the Office of the Press Secretary also included the remarks of Mr. Earley.